

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U.S.C. Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

SECRET/U.S. OFFICIALS ONLY

COUNTRY East Germany

REPORT

25X1

SUBJECT Bonuses Paid to East German Producers for Exports to Western Markets

DATE DISTR. 20 January 1955

NO. OF PAGES 2

DATE OF INFO.

REQUIREMENT NO. RD

25X1

PLACE ACQUIRED

REFERENCES

This is UNEVALUATED
Information.

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
THE APPRAISAL OF CONTENT IS TENTATIVE.
(FOR KEY SEE REVERSE)

25X1

1. Producers in East Germany, private or nationalized, are paid a bonus on certain types of export to Western markets. This bonus is calculated as a percentage of the total order (varying between 1/2% and 2%) and is credited in eastmarks to a special account. Exporters may then draw on this account either to import goods from the West, directly or through one of the agencies of Deutscher Innen-und Aussenhandel (DIA), or to defray the cost of exhibiting in or travelling to the West.

25X1
25X1

2. Bonuses are granted on the following scale:

| <u>Category</u> | <u>Bonus</u> | |
|--|--------------|---|
| Mining products | 1½% | except on hard coal, brown coal briquettes or coke, potassium, and rock salt. |
| Building materials | 1% | except on gypsum, whitewash, portland cement, corundum, tiles. |
| Timber products | 2% | except on cut pine and beechwood, plywood, wood inlay, piano frames, and wooden huts. |
| Textile products | 2% | except on artificial silk, Parlon, webbing, and cellulose fibers. |
| Clothing | 2% | no exception |
| Leather and footwear | 2% | no exceptions |
| Tissuepaper, cardboard, and printing paper | ½% | |

SECRET/U.S. OFFICIALS ONLY

| | | | | | | | | | | | | | | | |
|-------|---|------|---|------|---|-----|---|-----|--|-----|--|--|--|--|--|
| STATE | X | ARMY | X | NAVY | X | AIR | X | FBI | | AEC | | | | | |
|-------|---|------|---|------|---|-----|---|-----|--|-----|--|--|--|--|--|

25X1

(NOTE: Washington distribution indicated by "X"; Field distribution by "#".)

- 2 -

25X1

| <u>Category</u> | <u>Bonus</u> | |
|-----------------------------------|--------------|---|
| All other types of paper | 1% | except grease-proof paper, photographic paper, and paper bags |
| Optical and measuring instruments | 1½% | no exceptions |
| Electrical apparatus | 1½% | except electric filters, A.C. motors, turbogenerators, and storage batteries. |
| Fine art reproductions | 1% | except postage stamps |
| Food and confections | 1% | except liquors, white sugar, and potato waste |
| Agricultural products | 1% | except breeding animals, onions, potatoes, seed, green vegetables |
| Engineering products | 1½% |) various exceptions |
| Chemical products | 1½% | |

No bonus is paid on exports of electricity, metals (ferrous and nonferrous), or scrap of any sort.

25X1

SECRET/U.S. OFFICIALS ONLY